



Notice of Price Agreement Award

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Printed: 6/6/2006

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
CAPITOL HILL
PROVIDENCE RI 02908

V E N D O R	PAETEL COMMUNICATIONS INC 1 PAETEL PL 600 WILLOWBROOK OFFICE PARK FAIRPORT NY 14450	ALT. CARRIERS FOR LOCAL DATA	
		Award Number 68M00351249	Effective Period: 6/5/06 - 5/31/09

S H I P T O	ADMINISTRATION MASTER PRICE AGREEMENT RELEASE AGAINST RI MPA	Date: 06/02/2006 Buyer: JEROME MOYNIHAN Shipping: F.O.B., Destination Terms: Net 30	I N V O I C E	ADMINISTRATION MASTER PRICE AGREEMENT RELEASE AGAINST RI MPA

Department		Bid Number	Requisition Number
ADMINISTRATION		MPA-321	B06127
Item		Unit	Unit Price
	6/5/06 - 5/31/09 MASTER PRICE AGREEMENT #321 THIS IS A NOTICE OF AWARD, NOT AN ORDER. Any quantity reference in the agreement or in the bid preceding it are estimates only and do not represent a commitment on the part of the state to any level of billing activity, other than for quantities or volumes specifically released during the term. No action is to be taken except as specifically authorized, as described herein under AUTHORIZATION AND RELEASE. ENTIRE AGREEMENT - This NOTICE OF AWARD, with all attachments, and any release(s) against it shall be subject to: (1) the specifications, terms and conditions set forth in the Request/Bid Number cited herein, (2) the General Terms and Conditions of Contracts for the State of Rhode Island and (3) all provisions of, and the Rules and Regulations promulgated pursuant to, Title 37, Chapter 2 of the General Laws of the State of Rhode Island. This NOTICE shall constitute the entire agreement between the State of Rhode Island and the Vendor. No assignment of rights or responsibility will be permitted except with the express written permission of the State Purchasing Agent or his designee. CANCELLATION, TERMINATION and EXTENSION - This Price Agreement shall automatically terminate as of the date(s) described under CONTRACT PERIOD unless this Price Agreement is altered by formal amendment by the State Purchasing Agent or his designee upon mutual agreement between the State and the Vendor. STATEWIDE APPLICABILITY - Political Subdivisions (cities, towns, schools, quasi-public agencies), as authorized by law, may participate in this Agreement. All ordering and billing shall be between the vendor and the political subdivision (only).		

This Notice of Award/Purchase Order is issued in accordance with the specific requirements described herein and the State's Purchasing Regulations and General Conditions of Purchase, copies of which are available at www.purchasing.state.ri.us. Delivery of goods or services as described herein shall be deemed acceptance of these requirements.

COPY

STATE PURCHASING AGENT/DESIGNEE



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Department		Bid Number	Requisition Number
ADMINISTRATION		MPA-321	B06127
Item		Unit	Unit Price
	<p>REPORTS - The Vendor agrees to provide the State with quarterly reports describing activity against this Price Agreement. If this is a Master Price Agreement, such reports shall include usage by municipalities, quasi-public agencies, schools, etc. All reports shall contain the following data: (1) Billing volume in dollars and (2) quantity shipped for each line item in the price agreement. When there are no line items in the price agreement, vendor shall report volume by catalog order numbers, with a brief description of each order number.</p> <p>Reports must be submitted to the RI Division of Purchases to the attention BUYER named in this notice, identifying the Agreement number and the Reporting Period. Quarterly reports shall be due 45 calendar days after the end of each quarter. Failure to submit required reports shall be considered a breach of the contractor's obligations and may be considered, at the discretion of the State Purchasing Agent, sufficient cause for the termination of the agreement and other outstanding agreements and orders, and possible suspension from participation in additional State procurements.</p> <p>AUTHORIZATION AND RELEASE. In no event shall the Vendor deliver goods or provide service until such time as a duly authorized release document is certified by the ordering Agency.</p> <p>A Direct Purchase Order (DPO) shall be created by the agency listing the items ordered, using the pricing and format set forth in the Master Blanket. All pricing shall be as described in the Master Blanket and is considered to be fixed and firm for the term of the Agreement, unless specifically noted to the contrary herein. All prices include prepaid freight. Freight, taxes, surcharges, or other additional charges will not be honored unless reflected in Master Blanket.</p>		

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Department		Bid Number	Requisition Number
ADMINISTRATION		MPA-321	B06127
Item		Unit	Unit Price
	<p>THIS IS A MULTI-YEAR BID/CONTRACT. PER RHODE ISLAND STATE LAW 37-2-33, CONTRACT OBLIGATIONS BEYOND THE CURRENT FISCAL YEAR ARE SUBJECT TO AVAILABILITY OF FUNDS. CONTINUATION OF THE CONTRACT BEYOND THE INITIAL FISCAL YEAR WILL BE AT THE DISCRETION OF THE STATE. TERMINATION MAY BE EFFECTED BY THE STATE BASED UPON DETERMINING FACTORS SUCH AS UNSATISFACTORY PERFORMANCE OR THE DETERMINATION BY THE STATE TO DISCONTINUE THE GOODS/SERVICES, OR TO REVISE THE SCOPE AND NEED FOR THE TYPE OF GOODS/SERVICES; ALSO MANAGEMENT OWNER DETERMINATIONS THAT MAY PRECLUDE THE NEED FOR GOODS/SERVICES.</p> <p>THIS PURCHASE ORDER IS AWARDED SUBJECT TO EQUAL OPPORTUNITY COMPLIANCE.</p> <p>PRICING AT INCREMENTS OF \$1.00 PER ALLOWABLE COST.</p> <p>(SEE ATTACHED PRICING)</p> <p>EVERY PERSON OR BUSINESS ENTITY PROVIDING GOODS OR SERVICES AT A COST OF \$5000 CUMULATED VALUE IS REQUIRED TO FILE AN AFFIDAVIT REGARDING POLITICAL CAMPAIGN CONTRIBUTIONS WITH THE RI STATE BOARD OF ELECTIONS EVEN IF NO REPORTABLE CAMPAIGN CONTRIBUTIONS HAVE BEEN MADE. (RI GENERAL LAW 17-27) FORMS OBTAINED AT BOARD OF ELECTIONS, CAMPAIGN FINANCE DIVISION, 50 BRANCH AVENUE, PROVIDENCE, RI 02904 (401-222-2056).</p> <p>DELIVERY OF GOODS OR SERVICES AS REQUESTED BY AGENCY. PAYMENTS WILL BE AUTHORIZED UPON SUBMISSION OF PROPERLY RENDERED INVOICES NO MORE THAN MONTHLY TO THE RECEIVING AGENCY. ANY UNUSED BALANCE AT END OF BLANKET PERIOD IS AUTOMATICALLY CANCELLED.</p> <p>STATE AGENCIES WISHING TO AVAIL THEMSELVES OF SERVICES UNDER MPA #321 MUST APPLY THROUGH DOIT (ATTN: CLARENCE BUSSIUS AT 401-462-5997)</p>		

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STATE PURCHASING AGENT/DESIGNEE

PAETEC Communications, Inc. Response to State of Rhode Island RFP No. B06127
COST PROPOSAL

Transport	Bandwidth	Type of Service	Basic Cost (monthly)	Installation Cost (one-time)	Maintenance (monthly)	add PVCs (monthly)
T1	1.54Mb	ACCESS to PAETEC network for data, Internet and VoIP	At PAETEC cost - Varies by mileage	\$275 per T1	N/A	N/A
T1	1.54Mb	Voice T1 – TecPath for 24 channels	\$160.80 EUCL + T1 cost	\$275 per T1	N/A	N/A
T1	1.54Mb	Voice PRI T1 – 23 B + D channel for caller ID	\$ 33.50 EUCL + T1 cost	\$275 per T1	N/A	N/A
Measured Business Line	N/A	Analog line	\$18.95	\$37.50	N/A	N/A
T1	1.54Mb	VoIP – SIP trunking	\$ 300 + T1 cost	\$275 per T1	N/A	N/A
T1	128Kb	MPLS VPN connection (includes Quality of Service for voice/data/video applications)	\$60 + T1 cost	See T1 NRC	\$25 managed router service optional	N/A
T1	256Kb	MPLS VPN	\$ 115 + T1	See T1 NRC	\$25 MRS option	N/A
T1	384Kb	MPLS VPN	\$140 + T1	See T1 NRC	\$25 MRS option	N/A
T1	512Kb	MPLS VPN	\$ 180 + T1	See T1 NRC	\$25 MRS option	N/A
T1	768Kb	MPLS VPN	\$ 230 + T1	See T1 NRC	\$25 MRS option	N/A
T1	1.0Mb	MPLS VPN	\$ 310 + T1	See T1 NRC	\$25 MRS option	N/A
T1	1.54Mb	MPLS VPN	\$ 365 + T1	See T1 NRC	\$25 MRS option	N/A
T1 x 2	3.0Mb	MPLS VPN	\$675 + 2 T1's	See T1 NRC	\$25 MRS option	N/A
T1 x 3	4.5Mb	MPLS VPN	\$1000 + 3 T1's	See T1 NRC	\$25 MRS option	N/A
T1 x 4	6.0 Mb	MPLS VPN	\$ 1250 + 4 T1's	See T1 NRC	\$25 MRS option	N/A

Transport	Bandwidth	Type of Service	Basic Cost (monthly)	Installation Cost (one-time)	Maintenance (monthly)	add PVCs (monthly)
T1 x 5	7.5Mb	MPLS VPN	\$ 2260 + 5 T1's	See T1 NRC	\$25 MRS option	N/A
T1 x 6	9.0 Mb	MPLS VPN	\$ 2610 + 6 T1's	See T1 NRC	\$25 MRS option	N/A
T1	128Kb	Internet only	\$50 + T1	See T1 NRC	N/A	N/A
T1	256Kb	Internet only	\$ 75 + T1	See T1 NRC	N/A	N/A
T1	384Kb	Internet only	\$ 115 + T1	See T1 NRC	N/A	N/A
T1	512Kb	Internet only	\$ 150 + T1	See T1 NRC	N/A	N/A
T1	768Kb	Internet only	\$ 225 + T1	See T1 NRC	N/A	N/A
T1	1.0 Mb	Internet only	\$ 295 + T1	See T1 NRC	N/A	N/A
T1	1.54Mb	Internet only	\$ 295 + T1	See T1 NRC	N/A	N/A
T1 x 2	3.0Mb	Internet only	\$ 590 + 2 T1	See T1 NRC	N/A	N/A
T1 x 3	4.5 Mb	Internet only	\$ 875 + 3 T1	See T1 NRC	N/A	N/A
T1 x 4	6.0Mb	Internet only	\$ 1180 + 4 T1's	See T1 NRC	N/A	N/A
DS3	45Mb circuit	MRC for DS3 only – 28 T's for voice/data/Internet/VoIP	At PAETEC cost – varies by mileage	\$1200	N/A	N/A
DS3	5 Mb	Internet only	\$375 + DS3	\$1200	N/A	N/A
DS3	10 Mb	Internet only	\$700 + DS3	\$1200	N/A	N/A
DS3	15 Mb	Internet only	\$900 + DS3	\$1200	N/A	N/A
DS3	20 Mb	Internet only	\$1100 + DS3	\$1200	N/A	N/A
DS3	25 Mb	Internet only	\$1250 + DS3	\$1200	N/A	N/A
DS3	30 Mb	Internet only	\$1500 + DS3	\$1200	N/A	N/A
DS3	45 Mb	Internet only	\$2250 + DS3	\$1200	N/A	N/A
DS3	5mb to 10Mb	Burstable Internet (on demand) The top 10% of bursted traffic is discarded each month.	\$750 + DS3	\$1200	N/A	N/A
DS3	11Mb to 15Mb	Burstable Internet (on demand)	\$1000 + DS3	\$1200	N/A	N/A
DS3	16Mb to 20Mb	Burstable Internet (on demand)	\$1250 + DS3	\$1200	N/A	N/A
DS3	21Mb to 25Mb	Burstable Internet (on demand)	\$1500 + DS3	\$1200	N/A	N/A
DS3	26Mb to	Burstable Internet (on demand)	\$1750 + DS3	\$1200	N/A	N/A

PAETEC Communications, Inc. Response to State of Rhode Island RFP No. B06127
COST PROPOSAL

Transport	Bandwidth	Type of Service	Basic Cost (monthly)	Installation Cost (one-time)	Maintenance (monthly)	add PVCs (monthly)
	30Mb					
DS3	31Mb to 35Mb	Burstable Internet (on demand)	\$2000 + DS3	\$1200	N/A	N/A
DS3	36Mb to 40Mb	Burstable Internet (on demand)	\$2250 + DS3	\$1200	N/A	N/A
DS3	41Mb to 45Mb	Burstable Internet (on demand)	\$2500 + DS3	\$1200	N/A	N/A
T1	1.54Mb	Hosted PBX – IP Centrex	\$300 + T1	\$275	N/A	N/A
T1	By port	Dial tone only feature	\$6 per user	\$10 per user/\$500 cap	N/A	N/A
T1	By port	Basic Feature pack	\$10 per user	\$10 per user/\$500 cap	N/A	N/A
T1	By port	Premium Feature pack	\$20 per user	\$10 per user/\$500 cap	N/A	N/A
T1	By port	Voice mail	\$5 per user	N/A	N/A	N/A
T1	By port	Auto Attendant	\$35 per user	N/A	N/A	N/A

Vendor's Signature: (Person authorized to enter into contracts; signature must be in ink.) _____

Date _____

Rick Cunningham, Vice President – Strategic Markets

Print Name and Title of company official signing offer

TERMS AND CONDITIONS OF PRICING AGREEMENT

SCOPE AND LIMITATIONS - This Agreement covers requirements as described herein, ordered by State agencies during the Agreement Period. No additional or alternative requirements are covered, unless added to the Agreement by formal amendment by the State Purchasing Agent or his designee.

Under State Purchasing Law, 37-2-54, "no purchase or contract shall be binding on the state or any agency thereof unless approved by the department [of administration] or made under general regulations which the chief purchasing officer may prescribe." Under State Purchasing Regulation 8.2 1.1.2, "any alleged oral agreement or arrangements made by a bidder or contractor with any agency or an employee of the Office of Purchases may be disregarded and shall not be binding on the state."

PRODUCT ACCEPTANCE - All merchandise offered or otherwise provided shall be new, of prime manufacture, and of first quality unless otherwise specified by the State. The State reserves the right to reject all nonconforming goods, and to cause their return for credit or replacement, at the State's option.

- a) Failure by the state to discover latent defect(s) or concealed damage or non-conformance shall not foreclose the State's right to subsequently reject the goods in question.
- b) Formal or informal acceptance by the State of non-conforming goods shall not constitute a precedent for successive receipts or procurements.

Where the vendor fails to cure the defect promptly or replace the goods, the State reserves the right to cancel the Release, contract with a different vendor, and to invoice the original vendor for any differential in price over the original contract price.

ORDER AUTHORIZATION AND RELEASE AGAINST PRICING AGREEMENT

In no event shall the Vendor deliver goods or provide service until such time as a duly authorized release document is certified by the ordering Agency.

State Agencies shall request release as follows: All releases shall reference the Price Agreement number, the Contract Issue number, the item(s) covered, and the unit pricing in the same format as described herein.

A Department Purchase Order (DPO) listing the items ordered shall be created by the agency. The agency may mail or fax a copy of the order to the Vendor. In some cases the agency may request delivery by telephone, but must provide the Vendor with a DPO Order Number reference for billing purposes. Vendors are encouraged to require written orders to assure payments are processed accurately and promptly.

DELIVERY - If this is an MPA, Vendor will obtain "ship to" information from each participating agency. This information will be contained in the DPO. APA delivery information will be contained in the Notice of Award.

PRICING - All pricing shall be as described herein, and is considered to be fixed and firm for the term of the Agreement, unless specifically noted to the contrary herein. All prices include prepaid freight. Freight, taxes, surcharges, or other additional charges will not be honored unless reflected herein.

INVOICING - All invoices shall reference the DPO Order Number(s), Price Agreement number, the Contract Issue number, the item(s) covered, and the unit pricing in the same format as described herein. If this is an MPA, Vendor will obtain "bill to" information from each participating agency. This information will be contained in the DPO. APA billing information will be contained in the Notice of Award.

PAYMENT - Invoices for items not received, not priced according to contract or for work not yet performed will not be honored. No payment will be processed to any vendor for whom there is no IRS W-9 on file with the State Controller.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

MULTIPLE AWARD MASTER PRICE AGREEMENT #321

**COMMODITY/SERVICE DESCRIPTION: ALT. CARRIERS FOR LOCAL DATA
COMMUNICATION & TRANSPORT**

CURRENT AGREEMENT PERIOD: 6/5/06 – 5/31/09

BUYER: JEROME MOYNIHAN

Award #

68M00351249
68M00351252
68M00351253
68M00351256

Vendor Name

PAETEL COMMUNICATIONS, INC.
SPRINT COMMUNICATIONS CO.
QWEST COMMUNICATIONS INT.
COX BUSINESS SERVICES, LLC.